

FBIS**DAILY REPORT
CONTENTS***China*

17 Jul 87

FBIS-CHI-87-137

i

INTERNATIONAL AFFAIRS

GENERAL

Li Xiannian Appoints, Dismisses Ambassadors A 1

NORTHEAST ASIA

RENMIN RIBAO Decries Japanese Ruling on Kokaryo [11 Jul] D 1

CPC Delegation Meets JSP Chairman in Japan D 2

Second PRC Monument Vandalized in Japan D 2

NEAR EAST & SOUTH ASIA

Pakistani Delegation Continues Visit, Talks F 1

Yang Dezhi Hosts Army Deputy F 1

Qiao Shi Meets Interior Head F 1

Zhang Aiping, Army Deputy Confer F 1

WEST EUROPE

Lhasa Radio Reports FRG Chancellor Kohl's Arrival H 1

Kohl's Visit Controversial H 1

[AFP]

France Creates China Club for Economic Cooperation H 3

Belgian Firm Signs Joint Engineering Contracts H 3

EAST EUROPE

Hu Qili Meets, Fetes Bulgaria's Aleksandrov I 1

NATIONAL AFFAIRS

Coastal Residents Warned Against Explosives K 1

Science Academy Head Discusses Fang Lizhi K 1

[Hong Kong TA KUNG PAO 14 Jul]

Wang Zhaoguo Presides at Representatives Meeting K 3

Papers Defend Reformers Against Conservatives K 5

[Hong Kong HONGKONG STANDARD 15 Jul]

Commentator Discusses Contracted Management K 6

[RENMIN RIBAO 7 Jul]

JINGJI RIBAO Views Enterprise Welfare Services K 8

[27 Jun]

Agriculture Minister Urges Stepping Up Open Policy K 12

[RENMIN RIBAO OVERSEAS EDITION 11 Jul]

REGIONAL AFFAIRS

EAST REGION

Fujian's Chen Guangyi Views Military Contest	O	1
AFP Reports Peasants Ransack Shandong Offices [ZHONGGUO FAZHI BAO 17 Jul]	O	1
Shandong's Liang on Overcoming Bureaucracy	O	2

NORTHEAST REGION

Jilin's Gao Di at Vehicle Project Signing	S	1
---	---	---

NORTHWEST REGION

Li Ziqi, Others Discuss Gansu Party Rectification	T	1
Shaanxi's Bai Jinian Sends off Students	T	1

TAIWAN

Travel Restrictions to Hong Kong, Macao Lifted	V	1
CHINA POST Reports Formation of New Party [12 Jul]	V	1
Radio Commentary on Lifting of Emergency Decree	V	1

HONG KONG & MACAO

HONG KONG

Man Charged in PRC News Agency Arson Case [SOUTH CHINA MORNING POST 17 Jul]	W	1
--	---	---

LI XIANNIAN APPOINTS, DISMISSES AMBASSADORS

OW161850 Beijing XINHUA Domestic Service in Chinese 1024 GMT 16 Jul 87

[Text] Beijing, 16 Jul (XINHUA) -- On the basis of a decision made by the NPC Standing Committee, Li Xiannian, president of the People's Republic of China, today appointed and dismissed the following PRC ambassadors to foreign countries:

1. Appoint Ji Chaozhu ambassador extraordinary and plenipotentiary of the People's Republic of China to United Kingdom of Great Britain and Northern Ireland.

Remove Hu Dingyi from his post as ambassador extraordinary and plenipotentiary of the People's Republic of China to United Kingdom of Great Britain and Northern Ireland.

2. Appoint Zang Shixiong ambassador extraordinary and plenipotentiary of the People's Republic of China to Sultanate of Oman.

Remove Guan Zihuai from his post as ambassador extraordinary and plenipotentiary of the People's Republic of China to Sultanate of Oman.

3. Remove Ji Chaozhu from his post as ambassador extraordinary and plenipotentiary of the People's Republic of China to Fiji, the Republic of Kiribati and the Republic of Vanuatu.

4. Remove Hu Jingrui from his post as ambassador extraordinary and plenipotentiary of the People's Republic of China to the Republic of Guinea-Bissau.

RENMIN RIBAO DECRIES JAPANESE RULING ON KOKARYO

OW111302 Beijing XINHUA in English 1200 GMT 11 Jul 87

[Text] Beijing, July 11 (XINHUA) -- A signed article in today's "PEOPLE'S DAILY", China's leading newspaper, criticised a Japanese court's recognition of the right to sue by the so-called "Republic of China" (on China's island Province of Taiwan) in the Kokaryo [Guanghua] case a serious violation of international law.

In the editor's note, the paper pointed out that in essence the Kokaryo case, which involves a student dormitory building in Kyoto, "is a political and diplomatic issue."

"It is entirely wrong for the Japanese judicial organ to create 'two Chinas' or 'one China, one Taiwan' in judicial form in brazen violation of the Sino-Japanese Joint Statement and Treaty of Peace and Friendship, and it groundless legally," the note said.

The Kokaryo case involves a series of important principles in international law, the editor's note continued. The Japanese court and some Japanese scholars of international law have, in disregard or distortion of generally accepted norms of international law, put forth some paradoxical arguments and used them as legal grounds for an erroneous verdict.

The note said the "PEOPLE'S DAILY" will publish several articles by Chinese lawyers dealing with the Kokaryo case from legal aspects.

Today's article entitled, "Japanese Court's Recognition of Right To Sue by the So-Called 'Republic of China' Is a Serious Violation of International Law" and signed by Fu Zhu, discussed whether the Japanese court can accept a lawsuit from Taiwan under the name of the "Republic of China."

The article pointed out that it is a basic rule of international law that a government is not qualified to sue in the court of a country which does not recognize it.

The Japanese Government announced in 1972 the withdrawal of its recognition of the so-called "Republic of China", the article said. As a result, the Japanese state organs, including the judicial authorities, are duty-bound to withhold recognition from the "Republic of China". Therefore, the Japanese court should reject all lawsuits entered by the Taiwan authorities under the name of the "Republic of China."

The article said the Kokaryo case is not an ordinary civil case as it involves a foreign government, and the Japanese Government has recognized the People's Republic of China as the sole legitimate sovereign over China's territory.

The Chinese people can by no means tolerate the Japanese court's blatant pseudo-legal creation of "two Chinas" or "one China and one Taiwan" in violation of international law, the Sino-Japanese Joint Statement and Treaty of Peace and Friendship, the article stressed. It is also an illegal action in terms of international relations, the article concluded.

CPC DELEGATION MEETS JSP CHAIRMAN IN JAPAN

OW161236 Beijing XINHUA in English 1220 GMT 16 Jul 87

[Text] Tokyo, July 16 (XINHUA) -- The chairman of Japan's largest opposition party, the Japan Socialist Party (JSP), today called on the government to abide by international law in solving the Kokaryo [Guanghua] dormitory dispute, which casts a shadow over relations with China.

"The Constitution of Japan stipulates that the government must respect its international faith and observe statements and agreements signed with other country," Chairman Takako Doi said at a meeting with a seven-member delegation of officials of the Communist Party of China (CPC).

In February, a high court in Osaka overruled a 1977 court decision and said the Kokaryo student dormitory in Kyoto, built after World War II with money from China, belonged to Taiwan which filed suit as "the Republic of China." China says the court decision violates agreements signed by Japan which recognizes the People's Republic of China as the sole government.

"On this question, we particularly should not forget the regulations and principles of the Japan-China Joint Statement and the Japan-China Peace and Friendship Treaty," she said.

The Socialist Party would make further efforts to solve problems between China and Japan and would continue to develop relations with the CPC, the chairman added.

She accepted a letter from acting CPC General Secretary Zhao Ziyang inviting her to visit China. The delegation, led by Jiang Guanghua, deputy head of the CPC's Central International Liason Department, started a 10-day visit Tuesday. Yesterday, it discussed relations between the two parties and other issues with JSP Secretary General Tsuruo Yamaguchi.

SECOND PRC MONUMENT VANDALIZED IN JAPAN

OW161726 Beijing XINHUA in English 1505 GMT 16 Jul 87

[Text] Tokyo, July 16 (XINHUA) -- A Japanese rightist group has claimed responsibility after a second monument to Sino-Japanese friendship was vandalized early this week, reports said today.

The eight-meter high stone monument in the city park of Nagoya, some 270 kilometers west of Tokyo, was found splashed with red paint and damaged by hammer blows Tuesday morning. Police said the vandalization was made between late Monday night and early Tuesday and are searching for the vandals, reports from the city said.

On Wednesday evening, a man calling himself a member of the rightist group, "Spirit of the Kanto Army," called a newspaper and claimed responsibility.

The monument was erected in October 1980 to mark the establishment of sister city ties with east China City of Nanking (Nanjing) two years earlier.

Last month in Kyoto, a monument to China's late Premier Zhou En-lai was splashed with red paint and damaged by hammer blows.

PAKISTANI DELEGATION CONTINUES VISIT, TALKS

Yang Dezhi Hosts Army Deputy

OW141240 Beijing XINHUA in English 1220 GMT 14 Jul 87

[Text] Beijing, July 14 (XINHUA) -- Yang Dezhi, chief of the General Staff of the Chinese People's Liberation Army, met with General Aslam Beg, deputy chief of the Pakistan Army Staff, here this evening.

During the meeting, they expressed satisfaction with the growth of friendly relations between Armed Forces of the two countries.

Yang expressed the hope that Beg, who is on his fourth visit to China, and his party will make extensive contacts with the Chinese Armed Forces and people during their visit in order to further mutual understanding and friendship between the Armed Forces and peoples of the two countries.

Beg replied that he had had useful talks with his Chinese colleagues on issues of mutual concern in the past two days, with encouraging results.

Yang hosted a dinner for Beg and his party after the meeting.

Beg visited a guards unit of the Chinese People's Liberation Army in the suburbs of Beijing earlier today.

Qiao Shi Meets Interior Head

OW151140 Beijing XINHUA in English 1125 GMT 15 Jul 87

[Text] Beijing, July 15 (XINHUA) -- Chinese Vice-Premier Qiao Shi met Wasim Sajjad, Pakistani Minister of the Interior, and his party here today.

Chinese Minister of Public Security Wang Fang was present.

Zhang Aiping, Army Deputy Confer

OW161228 Beijing XINHUA in English 1216 GMT 16 Jul 87

[Text] Beijing, July 16 (XINHUA) -- Zhang Aiping, state councillor and minister of national defense, said here today that the time-honored relationship between the Armed Forces of China and Pakistan will continue to withstand the test of time.

Zhang said this at a meeting with General Aslam Beg, deputy chief of the Pakistan Army Staff, here this afternoon.

Beg told Zhang that he expected that his visit would be a success as demonstrated in his talks with senior Chinese Army officers.

LHASA RADIO REPORTS FRG CHANCELLOR KOHL'S ARRIVAL

HK161436 Lhasa Xizang Regional Service in Mandarin 1030 GMT 16 Jul 87

[Text] FRG Chancellor Helmut Kohl, Mrs H. Kohl, and their party, accompanied by He Kang, chairman of the Chinese Government reception committee and minister of agriculture, animal husbandry, and fishery, arrived in Lhasa this afternoon by special plane for a visit to Xizang region at the invitation of Premier Zhao Ziyang. The (?FRG) guests were greeted at the airport by Doje Cering, chairman of the autonomous regional people's government; Mao Rubai, vice chairman of the regional government; Caizan Duoma, vice chairman of the regional CPPCC Committee; Luo Ga, mayor of Lhasa City; as well as responsible persons from relevant departments.

Chancellor Kohl, Mrs Kohl, and their party arrived in China on 12 July for a visit. Accompanying Chancellor and Mrs Kohl to our region are Hans Klein, federal minister of economic cooperation; Friedhelm Ost, state secretary and head of the Press and Information Office of the Federal Government; and Dr Dieter Von Wuerzen, state secretary of the Federal Ministry of Economics.

At 1630, when Chancellor Kohl, Mrs Kohl, and their party were stepping down from the plane, chairman Doje Cering stepped forward to greet and shake hands with Chancellor Kohl and members of his party. The chairman also presented hada [pieces of silk used as greeting gifts in Xizang] to them.

The distinguished guests from the FRG were also greeted by more than 100 young people and children holding red flowers and hada, singing, and dancing at the airport. Chancellor Kohl and his wife mingled with contingents of welcomers and touched the faces of some children.

After the welcoming ceremony, Chancellor Kohl, Mrs Kohl, and their party were driven to their dwelling place, the Lhasa Hotel, in the company of Doje Cering, Mao Rubai, and Caizan Duoma. Chairman Doje Cering had a chat with Chancellor Kohl in a reception room on the presidential floor at the Lhasa Hotel.

Kohl's Visit Controversial

HK161154 Hong Kong AFP in English 1146 GMT 16 Jul 87

[By Pierre-Antoine Donnet]

[Text] Beijing, July 16 (AFP) -- West German Chancellor Helmut Kohl arrived in Lhasa Thursday for the first official visit by a head of state or government to Tibet since it was annexed by China in 1959.

The controversial visit is seen by many Western diplomats here as an important step in legitimizing China's occupation of Tibet in 1951 and its annexation of the territory as an autonomous province eight years later.

The arrival of Mr Kohl and his delegation at Lhasa's Gonggar Airport was confirmed by an airport official reached from here by telephone.

The only other head of state or government to have visited Tibet while still in power was French President Valery Giscard d'Estaing, but his 1980 visit was private.

Observers noted the absence from Mr Kohl's Tibet delegation of West German Ambassador Per Fischer, who embassy officials said was forced to stay in Beijing for "health reasons."

According to West German sources here, the West German Embassy had advised Mr Kohl against making the visit. An embassy spokesman has denied this.

The Chancellor, wrapping up an eight-day official visit to China, will devote most of his three days in Tibet to tourism, with visits to restored temples and monasteries in and close to Lhasa, according to his program.

Most of Tibet's 6,000 temples and monasteries were seriously damaged during a crackdown in an anti-Chinese rebellion in 1959 and during the Cultural Revolution (1966-1976), when many lamas (priests) and Tibetan nobles were allegedly persecuted or jailed.

Mr Kohl told a press conference Tuesday that his visit would "not change the international situation" of Tibet and that West Germany, "like the international community, considers Tibet as part of Chinese territory."

The spiritual and temporal leader of Tibet, the Dalai Lama, who has been in self-imposed exile in India since 1959, has repeatedly called for Tibetan independence and denounced alleged Chinese human rights abuses in the region.

Mr Kohl's precedent-making visit comes after renewed anti-Chinese statements by the Tibetan Youth Congress, a refugee group in New Delhi, which has accused Beijing of continuing to colonize Tibet.

Though Mr Kohl has said he wants to get a personal view of the province, the official nature of his visit is seen by many diplomats here as an important propaganda tool for China to justify its presence in Tibet.

Analysts said the strategic region, which borders India and is defended by a large Chinese military force, remains a diplomatic burden to Beijing.

Western tourists who have visited Tibet since China adopted a more tolerant policy toward religion there in 1979 have noted the continued hatred of many Tibetans towards the Chinese, they said.

To cope with the high altitude of Lhasa and its surrounding areas, which are about 4,000 meters (12,000 feet) above sea level, the Chinese authorities have set up special medical units, notably for the supply of oxygen, for the visit.

Mr Kohl's delegation includes several cabinet members and embassy officials, and about 30 businessmen.

Tibet is the last stage of the Chancellor's Chinese visit, his second in less than three years.

In addition to talks in Beijing with senior Chinese leaders including Deng Xiaoping, Mr Kohl has visited Nanjing, capital of the eastern province of Jiangsu, and Chengdu, capital of the southern province of Yunnan [as received].

FRANCE CREATES CHINA CLUB FOR ECONOMIC COOPERATION

OW160622 Beijing XINHUA in English 0609 GMT 16 Jul 87

[Text] Paris, July 15 (XINHUA) -- A new club devoted to developing scientific, economic and industrial relations with China has been created in Paris under the Committee of Industrial Relations and the National Center for Scientific Research.

The "China Club" will involve 20 French laboratories and 50 companies and is interdisciplinary in scope. Bankers, industrialists, researchers, administrators and diplomats will make up a large part of its membership.

The club aims to provide a forum for information exchange and for concluding scientific and technical projects with China, said Pierre Ventadour, "China Club" president and vice-director of leading French bank "Credit Lyonnais".

The "China Club" will also promote exchanges of scientific personnel between France and China.

BELGIAN FIRM SIGNS JOINT ENGINEERING CONTRACTS

OW160800 Beijing XINHUA in English 0713 GMT 16 Jul 87

[Text] Brussels, July 15 (XINHUA) -- Belgium's "Glaverbel" glass manufacturer will cooperate with China to build glass works in developing countries, the Belgian news agency BELGA reported.

The Glaverbel joint venture project is named "China National Building Materials Import and Export Corporation".

Glaverbel finalized two engineering contracts with China Wednesday worth 150 million Belgian francs (38bf equals 1 U.S. dollar), BELGA said.

Under one contract, signed in June, the Glaverbel factory at Zeebrugge will sell its former production line for mirrors to Suzhou, in Jiangsu Province of China.

Another contract, yet to be approved by the Bank of China, will involve the sale to Chengdu in Sichuan Province, of a factory for glass spheres, largely used as reflectors on roadways.

The deals constitute the seventh and eighth contracts concluded by a Belgian company in China since 1982.

HU QILI MEETS, FETES BULGARIA'S ALEKSANDROV

OW161451 Beijing XINHUA in English 1329 GMT 16 Jul 87

[Text] Beijing, July 16 (XINHUA) -- Hu Qili, member of the Political Bureau and Secretariat of the Chinese Communist Party (CPC) Central Committee, met here today Chudomir Aleksandrov, member of the Political Bureau and secretary of the Secretariat of the Bulgarian Communist Party Central Committee.

During the meeting, Hu expressed satisfaction with the fast development of Sino-Bulgarian relations and normalization of relations between the two parties in recent years.

He said that Bulgarian leader Todor Zhivkov's visit to China last May brought the relations between the Chinese and Bulgarian parties and the two countries to a new historical stage, contributing greatly to further development of Sino-Bulgarian relations..

he also noted that acting general secretary of the CPC Central Committee and Chinese Premier Zhao Ziyang's visit to Bulgaria last June furthered mutual understanding, respect and trust between the two countries.

Aleksandrov agreed with Hu on the assessment of the two visits made by the Bulgarian and Chinese leaders, adding that these visits created conditions for further growth of Bulgaria-China relations in the political, economic and cultural fields.

After the meeting, Hu hosted a dinner for Aleksandrov, his wife and their party. They arrived here yesterday at the invitation of the CPC Central Committee.

COASTAL RESIDENTS WARNED AGAINST EXPLOSIVES

OW161430 Beijing XINHUA in English 1340 GMT 16 Jul 87

[Text] Beijing, July 16 (XINHUA) -- The Chinese Ministry of Public Security today warned people in the southeast coastal areas not to pick up any articles to be dropped from the air.

According to Hong Kong's "TA KUNG PAO" newspaper, balloons carrying propaganda from Taiwan contain explosive devices and have been found several times in Hong Kong, where a massive blast last week injured 14 people.

The ministry said in an interview with XINHUA that balloon-borne propaganda packages from Taiwan have previously been found in the coastal areas and cities further inland. It urged people to heighten their vigilance and avoid picking up suspicious objects.

SCIENCE ACADEMY HEAD DISCUSSES FANG LIZHI

HK160949 Hong Kong TA KUNG PAO in Chinese 14 Jul 87 p 3

["Special dispatch" from Beijing by Kung Shuang-yin (7255 7175 0603): "Zhou Guangzhao Discusses Fang Lizhi" -- dated 13 July]

[Text] On the afternoon of 13 July, Zhou Guangzhao, president of the Chinese Academy of Science, met with Chinese and foreign reporters and answered the questions posed by them. The majority of these questions involved Fang Lizhi. This dialogue is now reorganized as follows:

A Lot of Work Done on Theories Concerning Celestial Bodies [subhead]

Question: Last year, Fang Lizhi put forward some views. President Zhou, please discuss the situation in this regard.

Zhou Guangzhao (hereinafter referred to as Zhou): Fang Lizhi is a researcher who has done a lot of good work in the sphere of theories concerning celestial bodies. In the past, in addition to scientific research, he also published many views on other topics. I think that as an individual, he was not only permitted in the past but is also permitted now, to publish all kinds of views. However, everyone knows that many views on the other topics published by him are inconsistent with the views of our government and our party. It is inappropriate for him to publish these views as a party member and as a leader.

Question: Why could Fang Lizhi not go to Britain after he attended a conference in Italy?

Zhou: Scientists and technologists of China frequently receive foreign invitations to attend all kinds of international conferences but not every international conference is attended. Professor Fang Lizhi had many contacts with Italy concerning work. We requested him to go to Italy to work this time and this shows that the policies of our country and our Academy of Sciences allow him to engage in scientific research. The fact that a particular scientist or technologist does not attend a particular international conference does not signify anything regarding our policies.

Meeting Press Circles on Many Occasions in Italy [subhead]

Question: We have made many requests for a meeting with Fang Lizhi but have been refused. When can we see him?

Zhou: My understanding is that he met with press circles on many occasions in Italy. You can put the question of meeting with press circles to the All-China Journalists Association or other departments.

Question: Do you personally support Fang Lizhi's views?

Zhou: As for Fang Lizhi, I think that he is now best engaged in academic study. I personally feel that it is inappropriate for him to embark on many political activities because he told us that he did not understand politics very well.

Question: You said that Fang Lizhi should engage in academic activities. However, some scientists engage in political activities. Under what circumstances do you think that a scientist can engage in political activities?

Zhou: Please do not misunderstand my meaning. Every citizen and every scientist of our country can embark on political activities or other activities which they themselves think necessary. For example, the problem of reform of the Chinese Academy of Sciences possesses a political nature. Last year, we conducted very extensive discussion throughout our Academy of Sciences and all of us stated our views. We encourage our scientists to show concern for the development of the economy, politics, science, and other aspects of our country. The situation of Fang Lizhi just mentioned is that many people now hope to make him prominent and then use his remarks to achieve other aims. This would not necessarily be good for him. Some people regard him as China's Sakharov, and this is abnormal. In this situation, he said that he did not understand politics very well and that therefore he had better engage in academic study.

Question: Do you personally support the views of Fang Lizhi and his wife?

Improvement of Intellectuals' Living Conditions [subhead]

Zhou: I do not support some of his views.

Question: Does Fang Lizhi also advocate the improvement of middle-aged intellectuals' living and working conditions?

Zhou: We also agree that we should find a way to improve intellectuals' living and working conditions. The difference between our views and Fang Lizhi's do not relate to this problem.

Question: Do you not support any views of Fang Lizhi?

Zhou: The proposal on the improvement of intellectuals' living and working conditions was not put forward by Fang Lizhi alone. Before he put it forward, many people had put forward this demand. It was Chairman Deng Xiaoping who made the earliest and most public statement on the improvement of the intellectuals' status. In 1972, when China was undergoing its hardest time, Premier Zhou Enlai also talked about this problem. Fang Lizhi was not the first one to put forward the demand in this regard.

Question: What influence has the opposition to bourgeois liberalization on the Academy of Sciences?

Zhou: The opposition to bourgeois liberalization is strictly restricted to within the Communist Party. It does not affect the political and ideological spheres and has no influence on scientific research. Even Fang Lizhi himself still continues publishing theses, conducts discussions at conferences, and was allowed to go abroad. It also has no influence on other persons.

Sakharov Is an Internal Issue of the Soviet Union [subhead]

Question: Your remarks just now give people the impression that some people want to make use of Fang Lizhi. Who are these people?

Zhou: I have not definitely said. The public opinion formed at the present stage, which says that Fang Lizhi is China's Sakharov, is not beneficial to China's reform and to giving better play to the role of Fang Lizhi.

Question: How do you look at Sakharov?

Zhou: The Sakharov issue is an internal issue of the Soviet Union. As a scientist, Sakharov is, I think, a very good scientist who is praised throughout the world.

Question: When Fang Lizhi returned home from Italy, he told reporters at the airport that it was wrong to expel him from the party and that the student movement was correct. What is your view as the leader of the Academy of Sciences?

Zhou: It has taken Fang Lizhi a fairly long time to form his ideas. It is understandable and permissible that he certainly did not straighten out his thinking about his decision. Judging from his consistent thinking, it was possible that he would put forward that view at the airport. This does not show that other people think that his views are correct.

Question: Does allowing Fang Lizhi to engage in scientific research mean isolating him because young people support his views?

Zhou: Allowing Fang Lizhi to engage in scientific research means giving better play to his role, but does not mean isolating him. In the previous period, some of his views were accepted by young people because they hoped that the democratization of our country could develop. However, they did not understand the actual situation of China very well. After they have more contact with society, they will form their own views on these problems.

WANG ZHAOGUO PRESIDES AT REPRESENTATIVES MEETING

OW160833 Beijing XINHUA Domestic Service in Chinese 1304 GMT 15 Jul 87

[By RENMIN RIBAO reporter Yi Pinduan and XINHUA reporter Zhang Yanping]

[Text] Beijing, 15 Jul (XINHUA) -- A meeting of representatives from departments directly under the CPC Central Committee, which ended today, adopted a resolution calling on all party members, particularly leading comrades, of departments under the CPC Central Committee to seriously restudy Comrade Deng Xiaoping's important talk on "Reform of the Party and State Leadership System."

They should also study other recent important talks expounding on building socialism with special Chinese characteristics, as well as Comrade Zhao Ziyang's "Talk at a Meeting of Propaganda, Theoretical, Journalist, and Party School Cadres." The meeting called on party organizations at all levels of departments directly under the CPC Central Committee and all party members to study hard, be dedicated to the reform, and work hard to greet the 13th CPC Congress with still better achievements.

The "Resolution" points out that by studying these important talks all party members in departments directly under the CPC Central Committee must further understand the necessity and importance of conducting a structural reform of the political system and be concerned about, study for, and promote the political structural reform. They must realize that concentrating all resources to develop productivity and engage in socialist modernization is an overriding central task of the whole party and the people of the entire nation. We cannot afford to relax our efforts in this task or lessen our confidence. They must realize that upholding the four basic principles and safeguarding the political situation of stability and unity are basic guarantees for our economic construction and opening to the outside world. They must realize that all-around reform is a motivating force behind all our work; therefore, we must accelerate the pace of our reform and opening to the outside world? They must strive to eliminate the influence and interference of ideas of bourgeois liberalization as well as ossified thinking. They must oppose "left" wherever there is "left," and they must oppose right wherever there is right. Opposing bourgeois liberalization is a protracted campaign we must intensify by carrying out positive education.

The "Resolution" also calls on party organizations at all levels in departments, particularly public opinion and propaganda departments, under the CPC Central Committee to strengthen propaganda on reform and opening to the outside world, while continually strengthening positive education in upholding the four basic principles and opposing bourgeois liberalization. The "Resolution" further calls on party organizations and members to uphold the four basic principles; persist in the general policy of reform, opening to the outside world, and invigorating the economy; and steadfastly adhere to the two basic points of the line adopted since the 3d Plenary Session of the 11th CPC Central Committee.

In conclusion, the "Resolution" stresses that in fulfilling party work, departments under the CPC Central Committee must emphasize reform and modernization as the central task; manage party affairs with strictness; strengthen political and ideological work; and educate and mobilize all party members to have ideals, observe discipline, be united, and play an exemplary role in thoroughly implementing the line adopted since the 3d Plenary Session of the 11th CPC Central Committee. Party members in departments under the CPC Central Committee must strengthen their party spirit; firmly establish a concept of wholeheartedly serving the people and the grass roots; prevent and overcome unhealthy tendencies of doing whatever one pleases and of being lax in discipline; establish a good work order; and strive to raise their work efficiency. Leading cadres must set examples in overcoming bureaucracy, resolutely opposing the unhealthy tendency of abusing one's authority for personal gain, launching unrelenting struggle against all violations of discipline and laws, carrying forward the glorious tradition of arduous struggle and being honest in performing official duties. They must also strive to establish good party and office work styles that meet the needs of times.

The meeting of party representatives from departments directly under the CPC Central Committee began on 13 July. The 562 representatives, who represent over 25,000 party members of departments under the CPC Central Committee, elected 95 delegates to attend the 13th CPC National Congress.

Wang Zhaoguo, member of the CPC Central Secretariat and secretary of the party committee of departments directly under the CPC Central Committee, presided over today's meeting.

PAPERS DEFEND REFORMERS AGAINST CONSERVATIVES

HK150823 Hong Kong HONGKONG STANDARD in English 15 Jul 87 p 8

[Text] A national economic journal yesterday defended a woman for making profit by running shops taken on lease from the state and hiring scores of workers.

She has been doing something socialist that should be permissible, said ECONOMIC DAILY (JINGJI RIBAO) in an editorial.

The editorial followed Premier Zhao Ziyang's recent strong criticism against conservatives who are reportedly interfering [in] economic reformative moves as "taking capitalist road."

The editorial defended Madam Guan Guangmei of the northeastern city of Benxi in Liaoning Province who has been accused of being a capitalist because of her success in running eight shops leased out to her by the government.

Her problem was described as "Guan Guangmei phenomenon" shortly after the paper had been the forum for an on-going debate since early June which focused on the question of whether leasing out of state and collective businesses to individuals is "capitalist" or "socialist".

"Leasing management is not only 'socialist,' it is the 'elementary stage of socialism,'" the editorial said, calling it "one of the better forms of management."

"Elementary stage of socialism" refers to socialism in its early and still-imperfect stage.

According to the Communist Party's current understanding, anything falling in the "elementary stage of socialism," is deemed acceptable.

Another national newspaper, GUANGMING DAILY yesterday endorsed the view that the elementary stage of socialism is the starting point and basis of China's reforms, while the reforms are the impetus for China's socialism.

The editorial of the economic journal said leasing out enterprises "is a form of effective management" that resulted from attempts to expand production under the conditions of public ownership and socialism.

The editorial further explained that the manager of a leased business "is responsible to the state, the enterprise and the employees to create more material wealth for society."

The practice of leasing out state-owned enterprises to individuals, and giving them authority to manage the business without direct government control, is a major part of China's economic reform.

However, the policy, under which some individuals have been able to reap large profits, has been attacked by political conservatives who cite it as an example of bourgeois liberalism, or favouring Westernisation and capitalism over socialism.

Elements of China's economic reform have come under attack in recent months as part of the country's anti-bourgeois liberalisation campaign, which began last December as a reaction to pro-democracy student demonstrations that rocked the country.

The party last week released a two-month-old authoritative speech by Premier Zhao in an attempt to rectify interference from the conservative camp which denounced "leasing enterprises" as "practising private ownership."

The editorial yesterday said the policy does not change the socialist distribution principle of "from each according to his ability, to each according to his work" and added that although the means of production belongs to the collective, it does not necessarily have to be under the direct control of the government.

Madam Guan, 37, sparked the debate last month with a letter to the ECONOMIC DAILY stating that she had been criticised for her attempts to make profitable eight businesses she had taken on lease from the government.

In April 1985, Guan was the first person to take a state-run grocery store in Benxi on lease from the government. She later won open bids for seven other state and collectively-run shops.

COMMENTATOR DISCUSSES CONTRACTED MANAGEMENT

HK160901 Beijing RENMIN RIBAO in Chinese 7 Jul 87 p 2

[Commentator's article: "New Probe Into Contracted Management"]

[Text] The reform of the economic structure in the past few years has made most enterprises feel in their element and enabled them to give full play to their vitality. Due to various causes, however, a small number of enterprises have failed to eliminate longstanding losses, and some of them are even so heavily in debt that their assets cannot offset their debts and they are on the verge of bankruptcy. How can these enterprises be extricated from such dire straits and reinvigorated? This is a problem that must not be treated lightly in enlivening enterprises and developing social productivity. It is gratifying that an effective approach to solving this problem has been found in the course of in-depth development of the enterprise reform. The case of the Chongqing No 2 washing machine plant succeeding in rescuing the Chongqing No 1 washing machine plant within a year is a good example.

"Big fish taking care of small fish" and advanced enterprises contracting for the management of backward enterprises; this is another form of the appropriate separation of ownership and management, an invention in the implementation of the responsibility system of contracted management. This form has some new special characteristics and advantages:

First, it can help make full use of the superiority of advanced and large enterprises in terms of the reserve of qualified personnel, funds, technology, and management to change the position of enterprises in difficulty and thus lighten the state's financial burden and alleviate the effect of social instability. Generally speaking, advanced and large enterprises, with plenty of qualified personnel, systematic management, huge funds, and advanced technology, can rescue enterprises in difficulty, help solve their problems, and reinvigorate them. For example, to cope with the weakness in the leadership of backward enterprises, contractor enterprises are willing to send a well-organized leading body composed of properly appointed qualified personnel with a sound structure of professional knowledge to take over the management. This provides a very favorable condition for the overall improvement of the production management, technological development, enterprise administration, and ideological and political work of the enterprises in difficulty.

Second, this form can solve the knotty problem of contractors "sharing profits but assuming no responsibility for losses" that cannot be solved by the systems of contracting by individuals and by partnerships. In recent years, some small enterprises have practiced the system of contracted management by individuals or by partnerships. Most of these enterprises have soon managed to turn deficits into profits. But these two systems are not completely satisfactory. The main problem is that contractor usually shares profits when the enterprise makes profits, but when the enterprise suffers losses, the contractor never assumes responsibility for losses because he just cannot afford to pay such a price. However, it will be a different thing if the contractor is an enterprise. Since, in this case, the contractor has the status of a corporate body with enormous assets and resources at its disposal, it can assume its due economic responsibility for any operational losses, according to the contract. So, the enterprise which has contracted out its management to another enterprise will not suffer any loss of its assets and, what is more, the state's financial revenue will be guaranteed.

Third, this form can help to effectively keep the enterprise's short-term behavior under control and thus maintain the balance between social benefit and the enterprise's economic results. It cannot be denied that some small enterprises practicing the system of contracted management by individuals or by partnerships have rushed headlong into purchase of equipment, or have lived off their past gains, or have distributed all the profits they have just made, placing immediate benefits before long-term interests. It would be difficult for such things to happen if advanced enterprises contract for the management of backward enterprises. The management group or the responsible person who takes over the management of the enterprise in difficulty on behalf of the contractor enterprise not only has to be subject to the leadership and supervision of the contractor enterprise but also has to be responsible for this enterprise's reputation and image; and, in addition, the profits shared as a reward for contracted management mainly go to the contractor enterprise rather than to those who are involved in contracted management. (The scale of rewards for them is to be otherwise decided.) This gives some assurance that "predatory operation" of enterprises can be avoided.

Fourth, it gives a great impetus to the in-depth and accelerated development of enterprise reform. Many cases have shown that the reason enterprises in difficulty are backward is because they have lagged behind in the reform, and the reason advanced enterprises are advanced is just because they have led others in introducing reform. [paragraph continues]

When an advanced enterprise contracts for the management of a backward enterprise, the former will recommend and demonstrate to the latter all aspects of enterprise reform, such as the responsibility system for the plant manager, the exercise of decisionmaking power, the streamlining of organizations, the level-by-level contracting system, and the abolition of the system of "eating from the same big pot" regarding internal distribution. The introduction of this new "software" to help run the management mechanism is of particularly far-reaching significance to the reinvigoration of enterprises in difficulty.

The practice of contracted management by enterprises can assume many different forms -- advanced enterprises may contract for the management of backward enterprises, large enterprises may contract for the management of small enterprises, enterprises making profits may contract for the management of those suffering losses, enterprises making high profits may contract for those making low profits, enterprises with strong technological reserves may contract for the management of those with weak technological reserves, enterprises whose products are marketable may contract for the management of those whose products are unmarketable, and so on. However, no matter what form it takes, all enterprises must observe the following rules: 1) All management contracts must be concluded on a voluntary basis, no enterprise should be forced to conclude a management contract with others, and practices of egalitarianism and indiscriminate transfer of resources are prohibited; 2) the relations between the contractor and the one offering a contract should first be in keeping with the principle of exchange of equal values governing commodity production, no enterprise is allowed to "eat from the same big pot" again by asking others to "give full play to the selfless spirit or the spirit of unity and fraternal love;" and 3) the interests of the responsible persons sent by the contractor enterprise to take over the management of the enterprise offering a contract must be closely linked to the performance of the management of the latter enterprise, so that "they will obtain benefits if the enterprise is prospering and will have their income cut if the enterprise is suffering losses" and "they will share both profits and risk with the enterprise."

There is no cure-all in the world. The method of "an enterprise contracting to manage another enterprise" still has to be constantly improved in practice. This fact is obvious to all.

JINGJI RIBAO VIEWS ENTERPRISE WELFARE SERVICES

HK150840 Beijing JINGJI RIBAO in Chinese 27 Jun 87 p 2

[Article by Lu Zhongyuan (4151 0022 0626) and Feng Cang (7458 0221): "A Study of the Socialization of the Welfare of Enterprises"]

[Text] Reform has enabled people to understand that apart from improving macroeconomic management, urban economic structural reform also aims to transform the operational mechanism of enterprises. To fulfill these two tasks a number of relevant conditions are necessary, one of which is the socialization of enterprises' welfare.

A Study of the Social Economy in the Course of Its Change [subhead]

The excessive social welfare burden on China's enterprises and other social burdens on them are gradually becoming a serious obstacle to the further invigoration of enterprises. [paragraph continues]

To ensure that enterprises' welfare will properly shift toward socialization, there is a need to have an explicit understanding of the following relevant problems from the angles of economic rationality and social coordination.

1. Running collective welfare services is determined by enterprises' need to improve their market competitiveness. The purpose of the shift of enterprises' welfare toward socialization is to free enterprises from their excessive social welfare burden and to provide the necessary conditions for an accurate analysis of the costs and results of enterprises' operations as well as for enterprises' corrective decisionmaking. The purpose is not to abolish the collective welfare services run by enterprises. In an open market system, an enterprise must economically attract the size and type of labor force it requires. Only in this way will it be possible for it to rationally bring into play the various production factors it has and to achieve the best possible results. The restrictive factors of the social economy determine that enterprises must run and improve the necessary collective welfare services with the good of encouraging their staff and workers to work for the existence and development of enterprises.

The collective welfare services run by enterprises should be taken as a means to improve enterprises' market competitiveness. They can only supplement and not replace public welfare services. But when the excessively high level of collective welfare harms enterprises, guarantees should first be provided for the existence of enterprises. We should not be afraid of the so-called "rigidity of welfare." As a matter of fact, collective welfare should become an undertaking run by enterprises according to the need for competition and should, by proper means, be linked to the economic results of enterprises. Once this relationship is established, there is no need to worry about the expansion of collective welfare.

2. The diversification of the functions of enterprises enables enterprises to assume some social responsibility. A high degree of industrial society has posed the problem of social responsibility for modern enterprises. The expansion of the scale of modern enterprises and the improvement in their economic strength has not only helped strengthen the mutual effects between enterprises and the economic environment, but also resulted in a rise in the mutual effects between enterprises and the social environment and even the political environment. Apart from this, the noneconomic internal relationship of enterprises is gradually becoming a force independent of and at the same time restrictive to the economy.

A relationship like this is also taking shape outside enterprises and is enabling the functions of modern enterprises to take on a diversified nature. It is no longer merely a branch of the economic system but has become an open branch closely related to the social and political systems. Modern enterprises have greatly improved their ability to control the external environment. Apart from being able to allocate human and material resources from the external environment and to fulfill their targets in the course of adapting to the environment, modern enterprises can also turn a part of the external environment into an internal factor controllable by these enterprises. Then these enterprises will put the factor back in the external environment through reallocation and alteration with the aim of producing an impact on the economic social, and even political environments.

The diversification of the functions of modern enterprises and their ability to turn a part of the external environment into an internal factor indicate that as an open system, their influence on the external environment is more far-reaching than that of "classical" enterprises. [paragraph continues]

Modern enterprises pay more attention than classical enterprises to the influence of noneconomic factors on the development of enterprises. Modern enterprises also strive to turn a part of the external environment into an internal factor controllable by them. When the social division of work is highly developed and enterprises have more room for decisionmaking, operators of enterprises will even be willing to accept the arrangements of resources for enterprises. This will not change the economic nature of enterprises, nor will it deviate enterprises from the market mechanism. Under these circumstances, obviously, if enterprises are willing to assume some social responsibility, it is different from their being forced to undertake social welfare under the traditional system.

3. The formation and development of profit-seeking groups have forced enterprises to take account of social coordination in the course of setting their targets. As a result of simplifying administration, delegating powers to the lower levels, and the implementation of the profit retention system, state-run enterprises under the traditional structure are feeling depressed by market competition and are therefore increasing their efforts to seek profits. As representatives of the long-term interests of enterprises, operators of enterprises place the target of profits above all other targets. Generally speaking, this is not bad. But in modern enterprises other members of enterprises besides operators, and profit-seeking groups have different interests. Therefore, the complete unanimity of interests does not exist as we have long imagined.

The relationship of interests between people in and outside of enterprises as well as between enterprises and profit-seeking groups is, undoubtedly, affected by the target, direction, and result of enterprises' operations. In the meantime, the target mix of enterprises is an outcome of the alleviation of contradictions between various profit-seeking groups. Modern enterprises are facing a number of restrictive factors. If a modern enterprise overlooks the demand of any profit-seeking group (in particular of any in-house department of the enterprises), the group whose interests are harmed will certainly take action to restrict them; and if the group's ability to make complaints is strong enough to interfere in the normal operation of this enterprise, this enterprise will have no alternative but to change its target mix. Obviously, while setting targets enterprises should take account of the factor of social coordination apart from considering economic rationality. This dual consideration exists throughout the transition of welfare toward socialization. If social welfare does not constitute a burden on enterprises or a destructive factor ruining the results of enterprises' operations in the market, but is instead beneficial to promoting their steady growth and stabilizing the results of their market operations, then there are reasons that enterprises undertaking some social welfare should be taken as a component of their target mix.

The Relationships Which Should Be Straightened Out in the Course of Transition [subhead]

1. Enterprises' collective welfare services should be aimed at meeting the needs of their staff and workers. Collective welfare services of enterprises are nonproductive services provided by enterprises for the purpose of maintaining the reproduction of the productive forces and strengthening their competitiveness. In enterprises, the work, rest, recreation, study, and exchange of views of their staff and workers constitute the life of these staff members and workers. Providing the necessary working conditions as well as building recreational and welfare facilities for restoring the physical strength and spirit of their staff and workers constitute the collective welfare services enterprises should undertake for the benefit of their staff and workers.

Apart from all this, enterprises' staff and workers also have a large number of activities at home and in society. These activities are markedly different from their work in enterprises and it is society's duty to provide various services for these activities.

2. Material welfare should be changed into monetary welfare, and a unified money measurement should be applied to the welfare of the members of the entire society. The full development of the socialist commodity economy requires the application of a unified money measurement for the welfare enjoyed by the members of the entire society. The people's welfare standard cannot be accurately reflected in their monetary income. In particular, the welfare of the staff and workers of state-run enterprises has been materialized in the form of subsidies or material benefits. It is necessary to collect fair payments according to market prices from those who use the public facilities run by enterprises. With an increase in the economic results of an enterprise, income from these payments will be used to improve the livelihood of the staff and workers of this enterprise. Thus, providing welfare in kind will be changed into providing welfare in cash. This will facilitate the application of a unified money measurement for the welfare all members of society are entitled to.

3. It is necessary to give priority to the development of collective welfare services and to control the increase in individual welfare subsidies. Since the welfare fund of staff and workers has been used at will, overexpenditures are serious. More serious is the indiscriminate issuance of subsidies and materials and the equal distribution of welfare funds to everyone, thereby turning welfare and subsidies into extra wages and expanding egalitarianism. Therefore, there is a need to link the use of welfare funds to the target of economic results. In running welfare services, the welfare fund should be used first to improve productivity and to meet the collective needs of enterprises' staff and workers, with the aim of gradually introducing the compensation system to the use of welfare facilities. Welfare and subsidies for individuals should account for only a small percentage. Efforts should be made to reduce the per capita distribution of materials and subsidies and to keep the issuance of welfare benefits to individuals within the necessary scope (such as providing subsidies for those who are in difficulties).

4. In the total income of staff and workers it is necessary to expand the portion for their wages and reduce the portion for social benefits. In the total income of China's staff and workers, the portion for social benefits (that is, welfare and subsidies provided for society by the state and enterprises) accounts for a very large percentage, so large that it has been seen rarely in socialist countries. It is necessary to rationalize the two proportions. First, the proportion of wages to total income should be increased whereas the proportion of social benefits should be reduced (there is no need to hurry to reduce its absolute amount, of course), to allow enterprises to have more power to decide their wages and bonuses according to the relationship between their economic results and their labor force. Second, it is necessary to adjust expenditures for social welfare on the one hand and to narrow the different benefits between members of society on the other. For example, different payment standards can be set for people at different social strata who use social or collective welfare facilities. This will rationalize the proportion of social benefits to the total income of staff and workers in such a manner that it remains within the restraints of the financial resources of the state and enterprises.

AGRICULTURE MINISTER URGES STEPPING UP OPEN POLICY

OW110948 Beijing XINHUA in English 0752 GMT 11 Jul 87

[Text] Beijing, July 11 (XINHUA) -- China will not swerve from its open policy in agriculture but will step up international cooperation in more areas, according to He Kang, minister of agriculture, animal husbandry and fisheries.

The OVERSEAS EDITION of today's "PEOPLE'S DAILY", China's leading newspaper, quoted the minister as saying that China has carried out "effective international cooperation" in agriculture over the past few years.

He said, "We've not only forged long-term cooperative ties with many countries in agriculture, but also conducted successful operations with some international organizations."

The organizations include the World Food Program, the International Agriculture Development Fund, the Food and Agriculture Organization of the United Nations, the United Nations Development Program and the World Bank.

Over the past few years, these organizations launched 100 projects in 27 areas in China, according to Minister He.

He said China is basically providing food to its one billion residents, thanks to a series of rural reform measures since 1979, particularly the introduction of the initiative-based household responsibility system.

"But we have not rid ourselves of the situation where a sufficient harvest depends on good weather," he said. Some 200 counties in southwestern and northwestern China are still poverty stricken. The per capita income of rural residents there was less than 200 yuan (about 54 U.S. dollars) last year, only half of the nation's average, and the amount of grain per person averaged 200 kilograms a year.

According to the minister, the State Council, China's highest governing body, has set up a special office in charge of economic development in these poor areas.

The state is also helping these areas launch productive projects that will require only a small investment and yield quick returns which will enable local residents to rise out of poverty promptly.

In 1986, the State Council began extending one billion yuan a year in loans with reduced interest rates to these areas as developmental funds. The Finance Ministry, the People's Bank of China and the Agricultural Bank of China extended another two billion yuan in either aid or loans to the areas.

He said, "Our aim is to solve the food problem in the poorest areas within the next five years and develop poorer areas within the next ten years."

FUJIAN'S CHEN GUANGYI VIEWS MILITARY CONTEST

OW161341 Fuzhou Fujian Provincial Service in Mandarin 1000 GMT 15 Jul 87

[Excerpts] The second military skills contest organized by the Fujian Provincial Armed Police force began this morning at the Tongpan shooting range in Fuzhou. [passage omitted]

Attending the opening ceremony were leading Comrades Chen Guangyi, Jia Qinglin, Hu Hong, Hou Linzhou, and Su Changpei. They also viewed brilliant performance of military skills.

PEASANTS RANSACK SHANDONG GOVERNMENT OFFICES

HK170816 Hong Kong AFP in English 0805 GMT 17 Jul 87

[Excerpts] Beijing, July 17 (AFP) -- A crowd of angry peasants has ransacked a local government building in Shandong province in protest at the administration's inefficiency, the CHINA LEGAL NEWS said Friday.

Furious with the Changsan district authorities for not marketing 30,000 tonnes of garlic, for which the area in eastern China is famous, the peasants broke doors and windows and destroyed documents and furniture, the paper said.

Many administrative papers dating back to the creation of communist China in 1949 were destroyed in the incident May 27, as well as chairs, desks, typewriters, and fans, the legal daily said in a rare account of a provincial riot.

The trouble began when a couple of peasants overturned a cart full of garlic in the yard of the local government building "as a gift to the local administration" to protest its inefficiency, the paper said.

About 100 peasants quickly rallied to the spot to support the first two and the crowd got bigger during the afternoon before attacking the building, it added.

Rioting only stopped when police reinforcements and the party deputy secretary arrived the legal paper said. Nine people were arrested.

The wholesaling of garlic had been going badly and the price dropping continually "because of the very bureaucratic style of work of local government officials," CHINA LEGAL NEWS said.

The district governor and party secretary were dismissed for the inefficiency of their administration following the incident, the paper said, without identifying them.

The official Chinese press does not usually report peasant protests, observers said.
[passage omitted]

SHANDONG'S LIANG ON OVERCOMING BUREAUCRACY

SK160802 Jinan Shandong Provincial Service in Mandarin 2200 GMT 15 Jul 87

[Excerpt] On the morning of 15 July at the auditorium of the Nanjiao Guesthouse's club in Jinan, the Shandong Provincial CPC Committee held a rally to arrange for the campaign of self-awareness, self-examination, and self-correction, with the emphasis on preventing and overcoming bureaucracy, among the provincial-level organs for the second half of this year and to mobilize the vast numbers of party-member cadres of the provincial-level organs to take immediate and active part in this campaign in order to raise the work of various organs to a new level.

The mobilization rally was presided over by Jiang Chunyun, deputy secretary of the provincial party committee and provincial acting governor. Liang Buting, secretary of the provincial party committee, spoke at the rally. He said: The provincial party committee's decision on launching the self-awareness, self-examination, and self-correction campaign among the provincial-level organs in the second half of this year with the aim of preventing and overcoming bureaucracy is of extremely important significance. The catastrophic Daxinganling forest fire that occurred not long ago revealed the problem of bureaucracy; and in our province, there was also an incident of [words indistinct]. They should occasion our self-examination. Party rectification has already concluded. Judging from the situation as a whole, there have been quite a few achievements; but it should also be noted that many problems have not been tackled satisfactorily, including bureaucracy and unhealthy trends as two major problems.
[passage omitted]

JILIN'S GAO DI AT VEHICLE PROJECT SIGNING

SK160336 Changchun Jilin Provincial Service in Mandarin 2100 GMT 15 Jul 87

[Excerpts] After being appraised by the State Examination Committee for Projects, the remodelling and transformation project of the Changchun No 1 motor vehicle plant has proved to be up to standard. The State Examination Committee for Projects agreed to accept the project. On the afternoon of 15 July, the project passed the appraisal test, and a signing ceremony was held. [passage omitted]

Rao Bin, member of the Central Advisory Commission, and some veteran leaders and comrades who once worked in the Changchun No 1 motor vehicle plant, were invited to attend the appraisal and acceptance meeting.

Also attending the meeting were leaders of Jilin Province and Changchun City, including Gao Di, Xiao Chun, Xu Yuancun, Wu Yixia, and Jin Minghan. [passage omitted]

CHI 17 Jul 87

REGIONAL AFFAIRS
NORTHWEST REGION

T 1

LI ZIQI, OTHERS DISCUSS GANSU PARTY RECTIFICATION

HK161400 Lanzhou Gansu Provincial Service in Mandarin 2200 GMT 14 Jul 87

[Excerpt] A 4-day Gansu provincial meeting to summarize the work of party rectification in the province concluded yesterday [14 July] afternoon in Lanzhou. The provincial meeting conveyed and studied the spirit of the national meeting on summarizing party rectification work.

Li Ziqi delivered a speech on ways to strengthen party building during the new period. Wang Zhanchang delivered a summation report on party rectification in Gansu Province. Also addressing the meeting were responsible comrades from the provincial Discipline Inspection Commission as well as the provincial party committee's Organization and Propaganda Departments, who centered on issues regarding successful promotion of the building of the party's ideology, work style, and organizational discipline. [passage omitted]

SHAANXI'S BAI JINIAN SENDS OFF STUDENTS

HK161456 Xian Shaanxi Provincial Service in Mandarin 2330 GMT 15 Jul 87

[Excerpts] A ceremony was held at the Xian Communications University on 15 July to send off a group of university students to the Qinba Mountains to engage in social practice by helping to develop the area and assisting poor counties. This activity has been organized by the provincial party committee's Science and Education Department, the provincial Higher Education Bureau, and the provincial CYL Committee. [passage omitted]

Bai Jinian, secretary of the provincial party committee, presented a banner to the group and addressed them. [passage omitted]

TRAVEL RESTRICTIONS TO HONG KONG, MACAO LIFTED

OW161409 Taipei CNA in English 1055 GMT 16 Jul 87

[Excerpt] Taipei, July 16 (CNA) -- Premier Yu Kuo-hwa Thursday ordered immediate removal of the restrictions on Republic of China [ROC] citizens seeking to visit Hong Kong and Macao for sightseeing.

The premier also instructed the Tourism Bureau to assist people who intend to visit the two places and asked the Bureau of Entry and Exit to screen the applications carefully.

Yu made the directives at a weekly cabinet meeting after hearing a report by Communications Minister Kuo Nan-hung on the recent development of tourist business and tourists' activities.

Currently, ROC citizens are prohibited from travelling directly to Hong Kong and Macao on overseas sightseeing trips. They are permitted, however, to stop over there as transit passengers on their way back to Taiwan. [passage omitted]

CHINA POST REPORTS FORMATION OF NEW PARTY

OW160809 Taipei CHINA POST in English 12 Jul 87 p 8

[Text] About 300 people defied a martial law ban on the formation of new political parties and announced the birth of the pro-government China Liberty Party yesterday.

The new party is the second political party formed in 10 months in defiance of the 38-year-old ban. The first, the opposition Democratic Progressive Party, was formed last September.

President Chiang Ching-kuo is expected to formally announce an end to martial law in Taiwan and the Pescadores (Penghu) next week, but legislation on the formation of new political parties is still pending.

Some members of the new party are a breakaway faction of the conservative Anti-Communist Patriotic Front, which staged a demonstration outside the legislature building in Taipei in June 12 to counter an opposition protest. Some violent clashes occurred between the two sides.

RADIO COMMENTARY ON LIFTING OF EMERGENCY DECREE

OW160509 Taipei International Service in English 0200 GMT 16 Jul 87

[Station commentary: "Goodbye to the Emergency Decree, Part I"]

[Text] At midnight Tuesday, the Emergency Decree declared in the Taiwan area of the Republic of China [ROC] officially came to an end, after 38 years of rather controversial existence. The announcement was made by President Chiang Ching-kuo in a quiet fashion that belied the importance and magnitude of the decision, which has put the ROC on Taiwan at the doorstep of entering an era of genuine democracy.

The Emergency Decree has indeed been an object of intense controversy, both at home and abroad. Long ago mistranslated to mean "martial law," the Emergency Decree has been used by critics of the ROC Government to embarrass the Government. The critics knew all along that "martial law" is a dirty word or practice in the Western psyche, so they used it at every possible turn to describe the emergency measures undertaken in the ROC.

According to Webster's Unabridged Dictionary of the American Language, "martial law" simply means "military rule over civilians." By its denotation then, the Republic of China on Taiwan has never experienced real martial law. The civilian government has functioned normally all along; a civilian president has always maintained executive power, and the parliament has never been suspended. The only aspect of martial law by definition that has existed during this 38-year period is the martial court system, under which felonious criminals were tried.

According to its connotative meaning, martial law evokes images of tanks on street corners, soldiers patrolling streets, total media shutdowns, and a host of other sinister images. In this sense as well the Republic of China on Taiwan has never experienced martial law.

What the ROC on Taiwan did experience, until last night, was a mild form of emergency decrees that involved few if any of the practices common to martial law, and which has had little if any effect on the daily life of the average man-on-the-street on Taiwan. In fact, a recent public opinion survey conducted by an independent daily newspaper in Taipei found that a fifth of the people on Taiwan were not aware that emergency decrees were in effect all these years. To visitors to Taiwan, the so-called martial law was something most had heard about but never saw any traces of after arriving here. To say the least, the image of the ROC on Taiwan as a martial law police state never fit the reality, thus all the confusion and controversy.

In a sense then, the ROC Government is announcing the lifting of a martial law that it never had. For historical reasons having to do with past usage of the term, the foreign press is bound to report that President Chiang lifted the "martial law," although President Chiang said or announced no such thing. He announced the lifting of the Emergency Decree, in effect since 1949, and which is quite a different thing from genuine martial law.

It is never too late, even on this first day of the post Emergency Decree era, to set the record straight. Perhaps now critics of the ROC Government will focus their attention on substantive issues, and not on public relations ploys such as the martial law versus human rights imagery. Tomorrow, perhaps for the 1st time, we will take a look at the reasons why the Emergency Decree was called and maintained for 38 years, and also why it was finally lifted.

HONG KONGMAN CHARGED IN PRC NEWS AGENCY ARSON CASE

HK170357 Hong Kong SOUTH CHINA MORNING POST in English 17 Jul 87 p 2

[Text] A 37-year-old man who was arrested on Wednesday after allegedly lighting a fire at the main door of the Hong Kong headquarters of the NEW CHINA NEWS AGENCY has been charged with arson.

He will appear in the Central Magistracy this morning.

Security has not [as published] been tightened at the NEW CHINA NEWS AGENCY -- the de facto Chinese embassy in Hong Kong -- after a fire was lit at the front entrance to the building on Wednesday night.

No one was hurt in the NCNA incident.

Agency business continued as usual yesterday, but the building's front entrance was given a fresh coat of paint.

The vice-director of the Hong Kong branch of the NEW CHINA NEWS AGENCY, Mr Zheng Hua, earlier told the press he was confident the Hong Kong Government could maintain law and order in the territory.

Mr Zheng, a long-time resident of both Hong Kong and Macao -- and who is also an alternate member of the Central Committee of the Chinese Communist Party -- said at the weekend that the reason for the series of bombings in Hong Kong had not yet been established.

He said he had confidence in the Hong Kong Government, however, and firmly believed in its ability to handle the matter.

END OF

FICHE

DATE FILMED

18 July 1987

